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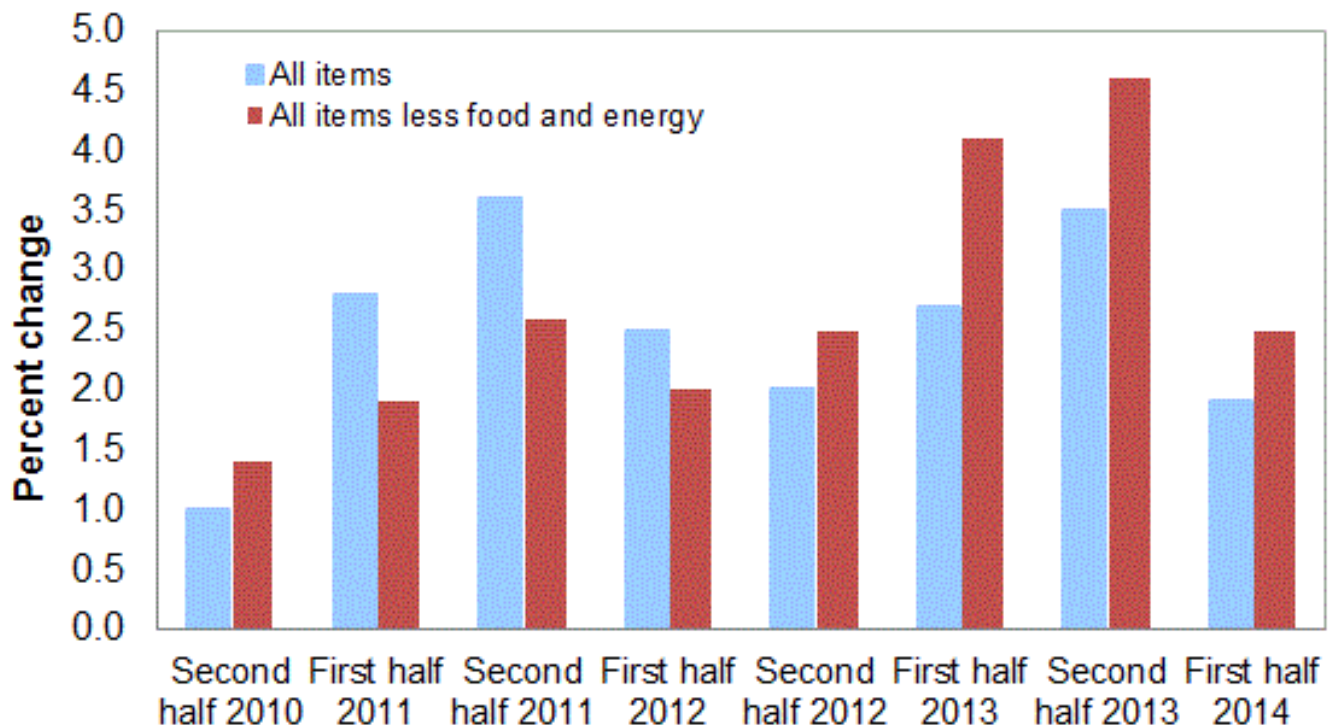
Consumer Price Index, Anchorage – First Half 2014

Area prices up 0.4 percent over the past six months, up 1.9 percent from a year ago

Prices in the greater Anchorage area, as measured by the Consumer Price Index for All Urban Consumers (CPI-U), advanced 0.4 percent in the first half of 2014, the U.S. Bureau of Labor Statistics reported today. (See [table A.](#)) Regional Commissioner Richard J. Holden noted that this latest six-month increase was influenced by higher prices for shelter and electricity. (Data in this report are not seasonally adjusted. Accordingly, six-month-to-six-month changes may reflect seasonal influences.)

Over the past 12 months, the CPI-U rose 1.9 percent. (See [chart 1.](#)) Energy prices declined 0.6 percent, largely due to a decrease in the price of natural gas. The index for all items less food and energy increased 2.5 percent over the year.

Chart 1. Over-the-year percent change in CPI-U, Anchorage, Second half 2010 - First half 2014



Source: U.S. Bureau of Labor Statistics.

Food

Food prices saw little change, up 0.1 percent in the first half of 2014. (See table 1.) Prices for food away from home edged up 0.1 percent for the past six months. Prices for food at home inched down 0.1 percent for the same period.

For the year ending in the first half of 2014, food prices rose 0.6 percent. Prices for food away from home increased 1.5 percent during the past 12 months, but prices for food at home edged down 0.1 percent.

Energy

Energy prices increased 2.1 percent since the second half of 2013. Higher prices for electricity (9.6 percent) and natural gas service (3.1 percent) were partially offset by lower prices for gasoline (-0.6 percent).

Energy prices declined 0.6 percent over the year. The decreases were led by lower natural gas service prices (-8.5 percent) and gasoline prices (-2.0 percent). Prices for electricity advanced 12.1 percent during the same period.

All items less food and energy

The index for all items less food and energy increased 0.5 percent from the second half of 2013 to the first half of 2014. Among the index components, increases were recorded for medical care (2.3 percent), education and communication (1.6 percent), and shelter (1.1 percent). In contrast, prices declined for apparel (-2.4 percent) and recreation (-0.7 percent).

Over the year, the index for all items less food and energy advanced 2.5 percent. Prices increased for apparel (6.8 percent), medical care (3.4 percent), education and communication (3.1 percent), and shelter (3.0 percent). Partially offsetting the increases were price decreases for household furnishings and operations (-1.5 percent) and recreation (-1.4 percent).

Table A. Anchorage CPI-U semi-annual and annual percent changes (not seasonally adjusted)

Month	2009		2010		2011		2012		2013		2014	
	Semi-annual	Annual	Semi-annual	Annual	Semi-annual	Annual	Semi-annual	Annual	Semi-annual	Annual	Semi-annual	Annual
First Half	-0.7	1.3	0.7	2.5	2.5	2.8	1.3	2.5	2.1	2.7	0.4	1.9
Second Half	1.8	1.1	0.3	1.0	1.1	3.6	0.7	2.0	1.4	3.5		

CPI-W

In the first half of 2014, the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) was 213.142, up 0.3 percent. The CPI-W increased 2.0 percent over the year.

The second half of 2014 Consumer Price Index for Anchorage is scheduled to be released mid-February, 2015.

Technical Note

The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. The Bureau of Labor Statistics publishes CPIs for two population groups: (1) a CPI for All Urban Consumers (CPI-U) which covers approximately 88 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers 29 percent of the total

population. The CPI-U includes, in addition to wage earners and clerical workers, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force.

The CPI is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and the other goods and services that people buy for day-to-day living. Each month, prices are collected in 87 urban areas across the country from about 4,000 housing units and approximately 26,000 retail establishments--department stores, supermarkets, hospitals, filling stations, and other types of stores and service establishments. All taxes directly associated with the purchase and use of items are included in the index.

The index measures price changes from a designated reference date (1982-84) that equals 100.0. An increase of 16.5 percent, for example, is shown as 116.5. This change can also be expressed in dollars as follows: the price of a base period "market basket" of goods and services in the CPI has risen from \$10 in 1982-84 to \$11.65. For further details see the CPI home page on the Internet at www.bls.gov/cpi and the *BLS Handbook of Methods, Chapter 17, The Consumer Price Index*, available on the Internet at www.bls.gov/opub/hom/homch17_a.htm.

In calculating the index, price changes for the various items in each location are averaged together with weights that represent their importance in the spending of the appropriate population group. Local data are then combined to obtain a U.S. city average. Because the sample size of a local area is smaller, the local area index is subject to substantially more sampling and other measurement error than the national index. In addition, local indexes are not adjusted for seasonal influences. As a result, local area indexes show greater volatility than the national index, although their long-term trends are quite similar. NOTE: Area indexes do not measure differences in the level of prices between cities; they only measure the average change in prices for each area since the base period.

The Anchorage, AK. metropolitan area covered in this release is comprised of Anchorage Borough in the State of Alaska.

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Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes for semiannual averages and percent changes for selected periods Anchorage, AK (1982-84=100 unless otherwise noted)

Item and Group	Semiannual average indexes			Percent change to 1st half 2014 from-	
	1st half 2013	2nd half 2013	1st half 2014	1st half 2013	2nd half 2013
Expenditure category					
All items	210.853	213.910	214.777	1.9	0.4
All items (1967=100)	562.795	570.956	573.268	-	-
Food and beverages	203.385	204.418	204.631	0.6	0.1
Food	208.884	209.954	210.066	0.6	0.1
Food at home	211.067	210.985	210.759	-0.1	-0.1
Food away from home	204.242	207.211	207.379	1.5	0.1
Alcoholic beverages	147.826	148.496	149.699	1.3	0.8
Housing	189.843	191.969	194.382	2.4	1.3
Shelter	192.558	196.334	198.425	3.0	1.1
Rent of primary residence	189.358	193.305	195.654	3.3	1.2
Owners' equiv. rent of residences ⁽¹⁾	193.714	197.472	199.968	3.2	1.3
Owners' equiv. rent of primary residence ⁽¹⁾	193.714	197.472	199.968	3.2	1.3
Fuels and utilities	263.711	258.121	266.791	1.2	3.4
Household energy	269.129	257.766	274.258	1.9	6.4
Energy services	291.227	278.878	297.351	2.1	6.6
Electricity	229.716	234.905	257.413	12.1	9.6
Utility (piped) gas service	385.052	341.565	352.320	-8.5	3.1
Household furnishings and operations	130.317	127.799	128.333	-1.5	0.4
Apparel	149.090	163.198	159.211	6.8	-2.4
Transportation	223.972	229.949	227.237	1.5	-1.2
Private transportation	225.675	233.265	229.433	1.7	-1.6
Motor fuel	312.536	307.826	306.475	-1.9	-0.4
Gasoline (all types)	313.323	308.883	307.046	-2.0	-0.6
Gasoline, unleaded regular ⁽²⁾	304.967	300.615	298.782	-2.0	-0.6
Gasoline, unleaded midgrade ^{(2) (3)}	295.077	290.844	289.228	-2.0	-0.6
Gasoline, unleaded premium ⁽²⁾	304.139	299.965	298.363	-1.9	-0.5
Medical care	473.526	478.573	489.452	3.4	2.3
Recreation ⁽⁴⁾	120.653	119.782	118.993	-1.4	-0.7
Education and communication ⁽⁴⁾	112.150	113.846	115.611	3.1	1.6
Other goods and services	328.872	327.378	331.170	0.7	1.2
Commodity and service group					
All Items	210.853	213.910	214.777	1.9	0.4
Commodities	180.660	182.979	181.924	0.7	-0.6
Commodities less food & beverages	168.486	171.441	169.761	0.8	-1.0
Nondurables less food & beverages	217.532	220.959	219.179	0.8	-0.8
Durables	126.569	129.097	127.465	0.7	-1.3
Services	236.254	239.954	242.578	2.7	1.1
Special aggregate indexes					
All items less medical care	201.082	204.052	204.612	1.8	0.3
All items less shelter	217.856	220.476	220.612	1.3	0.1
Commodities less food	167.966	170.814	169.275	0.8	-0.9
Nondurables	211.143	213.323	212.599	0.7	-0.3
Nondurables less food	212.462	215.633	214.155	0.8	-0.7
Services less rent of shelter ⁽¹⁾	306.441	309.737	313.161	2.2	1.1
Services less medical care services	220.310	223.965	226.131	2.6	1.0
Energy	287.245	279.791	285.579	-0.6	2.1
All items less energy	206.329	209.976	210.808	2.2	0.4

Note: See footnotes at end of table.

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes for semiannual averages and percent changes for selected periods Anchorage, AK (1982-84=100 unless otherwise noted) - Continued

Item and Group	Semiannual average indexes			Percent change to 1st half 2014 from-	
	1st half 2013	2nd half 2013	1st half 2014	1st half 2013	2nd half 2013
All items less food and energy	206.197	210.324	211.289	2.5	0.5

Footnotes

(1) Index is on a December 1982=100 base.

(2) Special index based on a substantially smaller sample.

(3) Indexes on a December 1993=100 base.

(4) Indexes on a December 1997=100 base.

- Data not available.